

FISCAL NOTE

Bill #: SB0089

Title: Exempt local governments from uniform unclaimed property act

Primary Sponsor: Tash, B

Status: As Introduced

Sponsor signature	Date	Chuck Swysgood, Budget Director	Date
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Fiscal Summary

	<u>FY 2004 Difference</u>	<u>FY 2005 Difference</u>
Revenue:		
General Fund	(\$139,000)	(\$139,000)
Net Impact on General Fund Balance:	(\$139,000)	(\$139,000)

- | | |
|---|--|
| <input type="checkbox"/> Significant Local Gov. Impact | <input type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts |
| <input type="checkbox"/> Dedicated Revenue Form Attached | <input type="checkbox"/> Needs to be included in HB 2 |

Fiscal Analysis

ASSUMPTIONS:

1. This bill provides an exemption to local government entities from the provisions of the Uniform Unclaimed Property Act. Specifically it exempts local government entities from the provisions of the Act as they pertain to cash, securities or other monetary assets.
2. Local government entities voluntarily submit approximately \$133,800 of monetary assets per year to the state general fund. A recent audit of 36 local government units identified an additional \$97,870 due the state general fund for a total average annual remittance of \$231,670.
3. When received by the state, an effort is made to contact the rightful owner of the property. Approximately 40% of the unclaimed monetary assets are returned to their rightful owners each year, leaving the state general fund with a net gain of \$139,000.
4. This bill is effective on passage and approval.
5. Assuming an April 1, 2003 effective date, the state general fund would experience an approximate decrease of \$34,750 ($\$139,000 \times \frac{1}{4}$) in fiscal year 2003.
6. In fiscal year 2004, and each fiscal year after, the state general fund would experience a decrease in revenue of \$139,000.

EFFECT ON COUNTY OR OTHER LOCAL REVENUES OR EXPENDITURES:

Local government entities would be exempt from the remittance of monetary assets to the state general fund. The average amount currently forwarded to the state each year, \$231,670, would be accounted for by local government entities.